FILE COPY.

Supreme Court U. S.
FILED
NOV 8 1905
JAMES H. MCKENNEY,
Clerk.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1905.

Nos. 40 and 217.

ECLIPSE BICYCLE COMPANY, Appellant,

vs.

WILLARD M. FARROW.

SUPPLEMENTAL BRIEF FOR APPELLANT.

H. L. OSGOOD,
C. SCHUYLER DAVIS,
A. S. WORTHINGTON,
Attorneys for Appellant.

JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C. 1905

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1905.

Nos. 40 and 217.

ECLIPSE BICYCLE COMPANY, APPELLANT,

vs.

WILLARD M. FARROW.

SUPPLEMENTAL BRIEF FOR APPELLANT.

Referring to a suggestion from the court during the oral argument of this case, we submit the following additional remarks:

We think it has been shown in our former briefs that the substantial parts of Farrow's applications having been found to be unpatentable, the bicycle company was relieved from the payment of royalties by the very terms of the contract. We think we have further shown that, notwithstanding the contract, under the case of The Thorn Wire Hedge Company *vs.* Washburn and Moen Company, 159 U. S., 423, the company was at liberty to manufacture and sell other coaster brakes for bicycles without liability to Farrow.

It was, however, suggested during the argument that the bicycle company could not hold on to the contract and at the same time refuse to account to Farrow. To this suggestion we reply that even if it should be found by the court that some substantial part of Farrow's claims was finally

allowed by the Patent Office; that the company was bound to take out patents for the claims so allowed; that it failed to do this, and that it thereupon proceeded to manufacture and sell other devices than Farrow's, accomplishing the same purpose, it would follow at the most that Farrow would have a right of action against the company for a breach of the contract, and would in such an action have been entitled to recover nominal damages, and such additional damages as he might be able to prove he had sustained. To recover anything beyond nominal damages in such an action, he would be required to prove that the devices which the Patent Office had held to be patentable were valuable, and approximately, at least, what their value was. For all that appears in the present case, it would have been impossible for the bicycle company to have sold a single bicycle brake manufactured according to the allowed claims of either of Farrow's applications.

If, in such an action at law, it should be shown, for instance, that by reason of the failure of the bicycle company to take out patents on Farrow's allowed claims, the devices covered by those claims were open to public use; that the public had adopted them, and that many thousands of them had been sold by other manufacturers, then there would have been some ground for claiming that the Eclipse Bicycle Company could have sold such brakes, if it had manufactured them, and tried to push the sale of them as the contract provides. All that appears to this court now is that Farrow was the original inventor of some minor details relating to coaster brakes on bicycles, which may or may not have been worth the cost of taking out letters patent to cover them.

Because Farrow, instead of suing at law to recover damages for the alleged breach of the contract, has filed a bill to recover royalties under the contract, it is, we submit, unreasonable to contend that the bicycle company must pay him the royalties specified in the contract on devices which

are not covered by any of Farrow's allowed claims. And still more unjust would it be to hold that the company must pay such royalty on every coaster brake sold by it, whether invented by Morrow or anybody else, and even if invented and patented by another before Farrow ever conceived the idea of any of his devices. Yet this is what the Court of Appeals has held.

H. L. Osgood,
C. Schuyler Davis,
A. S. Worthington,
Attorneys for Appellant.